

Fiscal Services Division Legislative Services Agency Fiscal Note

SF 2246 - High Stakes Grade 4 Reading Assessments (LSB 6319 SV)
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Fiscal Note Version - New

Description

Senate File 2246 requires school districts, beginning in FY 2008, to retain students who read one year below grade level at the end of third grade. The Bill requires school boards to develop policies to implement these requirements and to provide for assessment, intervention, notification of parents, appeal of the retention, and reporting by the Department of Education and Board of Education. Students may be held back only once because of this law.

Assumptions

1. This Bill will affect an estimated 4,375 students annually.
2. The program will be operated within the public school system utilizing school district personnel.
3. The school districts will implement a summer reading program utilizing two teachers at 812 school locations for a total of 10 days of instruction. The average cost per day per teacher is \$230, bringing the total for this portion to \$3.7 million.
4. Participating students will receive tutoring through this program, and the cost will equal the \$880 average cost for tutoring under Title I. The estimated annual cost of tutoring is \$3.9 million.
5. Teachers will be involved in two hours of individualized reading and consultation with the participating students and parents at an average cost of \$28.75 per hour for a total cost of \$252,000 annually.
6. The Iowa Test of Basic Skills (ITBS) will be administered a second time for third graders. The cost is estimated to be \$3.10 per second test for 133,557 third graders annually for a total of \$414,000.
7. The retained students will spend an additional year in the public school system, so in eight years funding through the Foundation Formula will increase with 87.5% of the cost being paid by State Aid and 12.5% being paid through the Additional Levy.
8. The Bill does not adjust the amounts appropriated to the Department of Education or the school districts, therefore, the remediation costs will be absorbed within current budgets.

Fiscal Impact

Upon implementation of the requirements of SF 2246, school districts will incur annual costs of approximately \$8.3 million. Since no funds are appropriated, these will be opportunity costs and offsetting reductions will need to be made by the school districts.

Beginning in FY 2016, School Foundation Aid will increase as the students affected by this Bill spend an additional year in the public school system. Using today's State cost per pupil and without adjusting for inflation and allowable growth, State Aid will increase by approximately \$18.1 million and property taxes will increase by \$2.6 million through the Additional Levy. To the extent that these students would be retained without this Bill, this amount would be reduced.

Source

Department of Education

Dennis C Prouty

March 11, 2004

The fiscal note and correctional impact statement for this bill was prepared pursuant to Joint Rule 17 and pursuant to Section 2.56, Code of Iowa. Data used in developing this fiscal note and correctional impact statement are available from the Fiscal Services Division, Legislative Services Agency to members of the Legislature upon request.
